

Article - Insurance

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§15–1216.

(a) The Commissioner shall establish the Maryland Small Employer Health Reinsurance Pool.

(b) The Pool shall be operational and may reinsure claims in accordance with this subtitle on or after July 1, 1994.

(c) (1) The reinsuring carriers shall elect a Board of Directors to be composed of seven members.

(2) The Board shall include representation from carriers whose principal business in health insurance comprises small employers and, to the extent possible, at least one nonprofit health service plan, at least one commercial carrier, and at least one health maintenance organization.

(3) A carrier, including its affiliates, may not be represented by more than one member on the Board.

(4) The term of a member is 3 years except that the terms of initial members shall be staggered for periods of 1 to 3 years.

(5) At the end of a term, a member continues to serve until a successor is elected.

(6) Vacancies shall be filled by an election of the remaining Board members.

(7) A member who is elected after a term has begun serves only for the rest of the term and until a successor is elected.

(8) A member who serves two consecutive full 3–year terms may not be reelected for 3 years after the completion of those terms.

(d) The Board shall choose a Chairman.

(e) (1) The Board shall appoint an Executive Director, who shall be the chief administrative officer of the Pool.

(2) The Executive Director serves at the pleasure of the Board.

(3) Under the direction of the Board, the Executive Director shall perform any duty or function that the Board requires.

(f) The Pool may employ a staff in accordance with the budget of the Pool.

(g) (1) The Board shall submit to the Commissioner a plan of operation to ensure the fair, reasonable, and financially sound administration of the Pool.

(2) The Commissioner may amend or rescind a plan of operation if the Commissioner finds that the Pool is not operating in a fair, reasonable, and financially sound manner.

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